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8 UNITED STATES BANKRUPTCY COURT
9 WESTERN DISTRICT OF WASHINGTON
10 AT SEATTLE

11 In Re:

12 KAZUKO KAY MATSUO,

Debtor.

Case No. 22-10432-MLB

Adversary No. _____

COMPLAINT FOR
NONDISCHARGEABILITY OF DEBT
PURSUANT TO 11 USC 523(A)(2)

14 INDUSTRIAL CREDIT UNION,

Plaintiff,

15 v.

16 KAZUKO KAY MATSUO,

17 Defendant.

18 Plaintiff Industrial Credit Union alleges as follows.

19 **I. PARTIES**

20 1. Industrial Credit Union is a Washington credit union and a creditor of the debtor's
21 bankruptcy estate.

22 2. Kazuko Kay Matsuo is the debtor in the underlying bankruptcy.

23 **II. JURISDICTION AND VENUE**

24 3. This is a core proceeding within the meaning of 28 USC 157(b)(2)(I) seeking determination
25 regarding the amount and dischargeability of certain debts under certain provisions of 11 USC 523
26 and is an adversary proceeding brought in accordance with FRBP 4004, 4007, 7001(4) and 7001(6).
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1 4. The Court has jurisdiction in this matter pursuant to 28 USC 151, 157 and 1334.

2 5. Venue is proper pursuant to 28 USC 1409.

3 **III. FACTS**

4 6. On or about September 14, 2021, Matsuo applied to Industrial Credit Union for a personal
5 \$10,000.00 loan.

6 7. In her written and sworn application, Matsuo represented she was employed by the
7 Bellingham Public School District and had employment income of \$1,600.00 per month.

8 8. Matsuo's representations were knowingly false and were intended to deceive.

9 9. Industrial Credit Union relied upon the representations to approve the loan.

10 10. Matsuo signed a Loan Advance Disclosure promising to repay the loan in installments.

11 11. Matsuo failed to make substantially all of her installment payments. The loan has an unpaid
12 balance of \$9,955.00. On information and belief, Matsuo did not intend to repay the loan when
13 she applied-for it and signed the repayment agreement.

14 12. Matsuo seeks to discharge her loan repayment obligation in the underlying bankruptcy.

15 13. Industrial Credit Union objects to discharge.

16 **IV. CAUSE OF ACTION #1**

17 **(False Representation, False Pretenses, Actual Fraud - 11 USC 523(a)(2)(A))**

18 14. Industrial Credit Union incorporates its prior averments.

19 15. Matsuo obtained the loan under false representation, false pretenses and actual fraud.

20 16. The debt is nondischargeable under 11 USC 523(a)(2)(A).

21 **V. CAUSE OF ACTION #2**

22 **(Use of False Writing – 11 USC 523(a)(2)(B))**

23 17. Industrial Credit Union incorporates its prior averments.

24 18. Matsuo's representations were in writing, were materially false, respected her financial
25 condition, and were made with the intent to deceive.

1 19. Industrial Credit Union reasonably relied upon the representations to approve the loan.

2 20. The debt is nondischargeable under 11 USC 523(a)(2)(B).

3 **PRAYER**

4 Industrial Credit Union prays for the following relief:

5 1. Judgment of debt nondischargeability;

6 2. Costs and attorney's fees;

7 3. For any other further relief as the Court may deem proper.

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9 DATED April 6, 2022

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11
12 Joseph Ward McIntosh, WSBA #39470

13 206-596-4842 (direct) / jmcintosh@mccarthyholthus.com

14 Attorney for Plaintiff

15 ****Please reference my internal file # WA-22-169393-CPG in all communications with my**
16 **office. Thank you in advance.**